Online Entertainment Streaming Services in India: Enablers and Challenges

A

Synopsis

Submitted in the partial fulfilment for the requirement of

Doctor of Philosophy

In

Management

Submitted By

Rubeka Singh

Under the Supervision of

PROF. SANJEEV SWAMI
PROFESSOR & HEAD
DEPARTMENT OF MANAGEMENT
FACULTY OF SOCIAL SCIENCES

DEPARTMENT OF MANAGEMENT, FACULTYOFSOCIAL SCIENCES
DAYALBAGH EDUCATIONAL INSTITUTE (DEEMED UNIVERSITY)
DAYALBAGH, AGRA- 282005
2021

SECTION 1

INTRODUCTION

1.1Online Entertainment Streaming Services

Online entertainment streaming refers to movies & shows streamed over the platforms through the internet and not through broadcast or cable television. Online Entertainment Streaming Services has become a major disruption in today's technology and location-enabled systems. Being one of the world's largest economies, the Indian entertainment industry hasreceived a gross income of over Rs. 975 Billion in 2019(KPMG-FICCI, 2015).

In a comprehensive effort to increase Internet penetration, India witnessed over 500 million Internet users in June 2018. In this digital age, the content on online entertainment streaming services has emerged asa new multimedia platform where multimedia or direct television channels no longer distribute or control the content, leading to independent media use. Viewers now have complete independence in terms of their content selection and pricing, keeping in mind the exact type and amount of content they want to view. Another major breakthrough in content viewing is the emergence of online entertainment streaming platforms by individual media houses. This trend is fuelled by the increase in the number of devices that support these platforms and the huge increase in the number of online and mobile subscribers. The rise of online entertainment streaming platforms also has seen steady but positive growth in the number of people who want and demand 'Production-for-TV' and the newly-created content at any time of the day, making it one of the biggest opportunities in the video and content sector in the entertainment industry(Glaser, 2019)

Currently, India has more than 25online entertainment streaming platforms such as HotStar by Star Network, Voot by Viacom18, Sony Liv by Sony, Netflix, Prime Video by Amazon, Zee5 by Essel Group, ALTBalaji by Balaji Telefilms Ltd, Jio TV,Eros Now, and Viu. There are many other independent content creators like TVF and Mx player who are having their own online entertainment streaming platforms thatcompete directly with mainline platforms by providing newly created content over others. It is thus evident that online streaming content and associated platforms are becoming major media and revenue sources for the organizations(Dasgupta & Grover, 2019).

There is a 25% growth in Indian Internet users in a year. 59% of Indians access the Internet through their mobile phones. The average time spent on social media is 3 hours and 70% of internet users watch online videos. Social media and entertainment, including both music and video. 21% of all-time youth spend on audio and video entertainment (Deloitte, 2017).On social media platforms, Facebook and Twitter make up 47% and 42% of all videos online. The remaining 11% belong to online streaming platforms such as Hotstar, Netflix, Amazon Prime Video, Jio TV, and Voot. India has over 24 million users in total.With online entertainment streaming services going extremely heavy on marketing for acquiring and grabbing customer's eyeballs the Video-On-Demand (VOD) market is on the verge of a big breakthrough. Features such as digitization, reduced mobile data costs, high-speed penetration, and multiscreen penetration across borders, and broadband line growth, are a great predictor of the online entertainment streaming services sector in India, which is likely to grow in numbers in the coming years.

Media consumption in digital formats worldwide has increased exponentially. Today, users have the freedom to access any media content they like. This is possible due to the increase in the number of devices supporting digital media and the improved internet speed. The rise of Netflix, Hulu, Amazon, Apple TV, etc. has begun to challenge the dominance of traditional television (Deloitte, 2017). Digital media worldwide is projected to grow to $118 billion by 2021, with a compound annual growth rate of 11% between 2016 and 2021(Lacy, 2017). In line with global trends, India has also seen an increase in usage across all digital platforms, from text, audio, or video to all types of content. India is the second-largest online market after China with over 460 million internet users. By 2021, it will reach 635.8 million users(Statista, 2017). Better networks, better access to the Internet, multimedia service-enabled mobile devices, and application development ecosystems have contributed to a dramatic increase in media consumption on digital platforms.

India has about 300,000 app developers and is the second-largest app developer after the US(Deloitte, 2017). The rise of smartphones in India has sparked a new era of video consumption on personal media devices. Smartphone penetration in India is projected to increase to 520 million by 2020 and broadband penetration is currently increasing from 14% to 40%from traditional to digital(Ernst & Young, 2016). The percentage of Indian consumers who prefer to watch shows on TV has declined

considerably in the last few years(Accenture, 2015).Smartphones, laptops, desktops, and smart TVs are used to watch short video clips, TV shows, and movies with the use of the internet.

Table 1: Leading Streaming Services in India

Leading Streaming Services in India							
S. No.	**Platform**	**Parent Company**	**Launch Date**	**Business Model**	**Position in Value Chain**	**Subscription Price (Rs/month)**	**Subscribers (Millions) March 2018**
1	Hotstar	Star India 21st Century Fox	February 2015	Freemium	Broadcast Network	199	8.5
2	Amazon Prime	Amazon	July 2016	SVOD	Independent	129	6.37(mobiles only)
3	Voot	Viacom Inc/ Network18 Media & Investment Ltd	March 2016	Freemium	Broadcast Network	99	15.8
4	Netflix	Netflix Inc.	January 2016	SVOD	Independent	499	2.15
5	ALTBalaji	Balaji Telefilms	April 2017	SVOD	Independent	100	20
6	ZEE5	ZMCL/ ESSEL Group	February 2018	AVOD	Broadcast Network	49	11.4
7	JioTV	Reliance	2017	AVOD	TSP	NA	30
8	Sony LIV	Sony Pictures Networks India Pvt Ltd	January 2013	Freemium	Broadcast Network	50	5.28
9	Viu	PCCW/ HKT Group Holdings Ltd	March 2016	Freemium	TSP	49.5	1.15
10	TVF Play	Viral Fever Media Labs	June 2015	AVOD, Sponsored Content	Independent	Free	7
11	Eros Now	Eros International	July 2015	Freemium	Content Provider	50	13
12	MX Player	Times Internet	February 2019	AVOD	Content Provider	Free	25
Freemium- **Basic service is free & advance service is paid,** AVOD- **Advertising video on demand,** SVOD- **Subscription video on demand,** TSP- **Telecommunications service provider.**							

Source: (Media Industries, 2019)**.**

Global mobile traffic is projected to increase almost sevenfold from 2016 to 2021. As of February 2017, mobile devices accounted for 49.74% of web page views worldwide, with Asia and Africa leading the pack(Statista, 2017). The share of digital advertising in India is expected to double over the

next 3 years, from 12% at present to 24% in 2020. According to data available as of January 2017, mobile devices account for 79% of web page views in India(Statista, 2017). Internet access is mainstream among Indian consumers and mobile usage is intensifying. Most people spend a lot of time online using a variety of digital tools and sites for content usage. India is currently the third-largest country in terms of internet users, with over 121 million Indians using the Internet.

The market for Online entertainment streamingsubscription is expected to grow to over 4,000 crores by 2020. At present, the average amount spent per month for paid content is Rs255. (Video OTT vs DTH players: How Netflix, Amazon Prime, Hotstar cornered Indian market, 2017) OTT or "over-the-top" refers to video content streamed over the Internet and not through broadcast or cable television. This includes subscription-based services, free, ad-supported services, and pay-to-watch streams that provide services on demand, including iTunes and video(Deloitte, 2017). Online entertainment services are provided for free or with a small monthly membership fee. Examples of Online entertainment devices include smart TVs such as Google TV and LG Electronics Channel Plus, various gaming devices such as the Xbox One, PlayStation, smart set-top boxes like Apple TV, tablets, and iPhones and Android phones. Online entertainment platforms challenge traditional content and service providers. Various elements offer paid memberships, such as the need for high-quality videos, good viewing experience, accessibility, and wide content selection.

1.2 Current Scenario

India has all the products, services, technologies, fashion, entertainment, and culture that multinationals can offer. Millennials want to stay updated with the latest news and trends of lifestyle and services. All the information is out there, and just a touch away. Consumers are used to having immediate access to information, and waiting is not good. After the data revolution in 2015, thanks to Jio, there has been a buzz of consumer data usage. Almost everyone who has a phone now has an internet connection, allowing access to content on the go. With the advent of video streaming services, the physical limitations of sitting in front of the television or attending the theatre have been reduced.

According to the consulting firm EY, India had 160 million digital video viewers by the end of 2016. With growing broadband penetration and cheap mobile data plans, this number is growing rapidly. We currently live in the golden age of streaming services. Today, there are numerous streaming services

such as Amazon, Netflix, Hotstar, Alt Balaji, from which movies, TV shows, and documentaries are at our fingertips, with new titles coming up every day. It is evident that the Indian market being massive and far from achieving saturation, growth in the user base, and digital advertisement promises well for all the platforms in the entertainment sector. Consistent growth over the past couple of years indicates that entertainment streaming platforms are here to stay giving Indians a new alternative to traditional cable television and cinema. Entertainment is in the process of being re-branded to digital entertainment at a fast pace in India (Moochhala, 2018).

As in today's date, the whole world is affected by Covid-19. The world is stopped, factories are shut down, schools & colleges are closed, malls & theatres are closed, transportation is banned. The earnings of companies, manufacturers, and service providers are hugely affected by the pandemic. But in the case of entertainment services, it is evident that COVID-19 is somehow affected positively as people are staying at home due to lockdown and they have plenty of time to entertain themselves by streaming on online entertainment streaming services. Previously only those who do not have busy schedules involve in video streaming and have subscribed to at least one of the entertainment platforms. Now during lockdown those who had busy schedules are working from home as a result they have plenty of time to entertain themselves, so after lockdown, it is evident that a large number of new subscribers subscribed to at least one or two online entertainment platforms.

To prevent the infection of the coronavirus epidemic, the central government has imposed a lock-down across the country from 25 March. Because of this people are forced to stay in their homes. During the lockdown, people are working from home through the internet. Also, students are studying online. Those who are not doing any work are spending their time through video streaming and gaming apps at home(Shaikh, Aggarwal, & Shakir, 16 April 2020)

DE-CIX international CEO Evo Ivanov says that we are seeing an average 20% increase in data consumption in India in the last three weeks. Tools, video streaming, and gaming apps that connect multiple people are using about 80 percent of the total data (Inventiva, 2020). This coronavirus outbreak somehow benefits the online entertainment streaming services as a large number of new consumers subscribed to these services during a pandemic. After the lockdown, these platforms have

increased the content by adding new movies and shows. Recent news is as theatres are closed; new movies are planned to be released directly on selected online entertainment streaming platforms.

The recent announcement of Bollywood films like *Shakuntala Devi* starring Vidya Balan, *Gulabo Sitabo* starring Amitabh Bachchan & Ayushman Khurana releasing on Amazon prime video, instead of the age-old practice of releasing movies in a cinema hall (Indian Express, May 2020). Zee5 has already premiered Nawazuddin Siddiqui starring Anurag Kashyap's *Ghoomketu*. Jayasuriya's *Sufiyum Sujatayum*, Keerthy Suresh's *Penguin*, Jyothika's *Ponmagal Vandhal*, Siri Prahlad's *Law, are* other major Indian films that be launched online instead of getting a theatrical release. Such big films—considered to be good for the box office—now getting an online release will add to the already expanding subscriber base of online entertainment streaming services(ET Government, 2020)

During the lockdown, Alt Balaji has an average of 17,000 new subscribers every day. An increase of 60% on an average of only 10,600 per day in March before Lockdown. ZEE5, the online platform for the Zee Network, has seen a significant increase of 80% in subscription numbers. Head of programming for ZEE5, Aparna Acharekar said "With the Covid-19 lockdown, the online entertainment industry has seen a significant increase in user numbers and usage. Originals have increased by 200% + and movies by 236% respectively. The Daily Active Users (DAUs) and app downloads increase by 33% and 41% respectively. The membership has increased by more than 80% and a 45% increase in paid viewership of content. The result of this positive surge can be attributed to our multiple initiatives to ensure lockdown and seamless and continuous entertainment" (Forbes, 2020)

Lockdown increased the use of smartphones by 3% COVID-19 outbreak in smartphones by 13% / 12% weekly / daily. Every user on online entertainment streaming platforms has increased their daily usage time to smartphone usage (12% in week-13) in India. Time spent on online entertainment streaming platforms globally has also increased, with the US reporting a 45% growth in total minutes spent on online entertainment streaming platforms from 2nd - 23rd March. Apart from the increase in the number of minutes, the consumer line of platforms usage is also seeing an increase in the number of original series and movies, while the non-original series and sports are on the decline (due to no new live events) (Shaikh, Aggarwal, & Shakir, 16 April 2020).

As the consumer's number is increased unexpectedly, the telecom industry of India asked the online entertainment streaming services to take steps to ease out the pressure from HD (hi-definition) to SD (standard definition) streaming, video consumption as vast swathes of the workforce work from home amid the Covid-19 outbreak. The majority of video streaming service providers, including Netflix, MX Player, Amazon Prime Video, Hotstar, Voot, and ZEE5 said that they have already started taking steps aimed at using less internet capacity without compromising on the quality of streaming (Economics Times, March 2020).

1.3 Overview & Market Share of Major Companies

- **NETFLIX:**Netflix is an American-based company headquartered in Los Gatos, California. The company was founded in 1977 by Reed Hastings and Marc Randolph. The company's primary business is its subscription-based streaming service, which provides online streaming of a library of movies and television programs. Due to local restrictions in Mainland China, Iran, Syria, North Korea, and Crimea, it is unavailable otherwise it is available worldwide. Netflix is a public company listed on the share market by NFLX(Sakal, 2019).
- **AMAZON PRIME VIDEO:**Prime Video, also known as Amazon Prime Video, is an American Internet video-on-demand service developed, owned, and operated by Amazon. It offers television shows and movies, Amazon Studios original content selection, and licensed acquisitions included in Amazon's Prime subscription. On December 14, 2016, Prime Video expanded worldwide (with the exception of Mainland China, Cuba, Iran, North Korea, and Syria) to the US, UK, Germany, Austria, and Japan. The service is included with Prime in new territories like Belgium, Canada, France, India, Italy, Spain, Poland, and Brazil(Wikipedia, 2016).
- **HOTSTAR:**Disney + Hotstar, also known as Hotstar, is an Indian entertainment streaming service owned by Star India's subsidiary Novi Digital Entertainment. It has two paid membership ranges - the "VIP" series, which focuses on domestic events and sporting events (including Indian Premier League cricket) and premium international films and television

series (the second "premium" series, including HBO, Showtime, and others). By March 2020, Hotstar had at least 300 million active users. In February 2020, Disney bought Star India's parent company 21st Century Fox in 2019, announcing plans to integrate its new international streaming brand Disney + with Hotstar in April 2020 to enhance Hot Hotstar's current infrastructure and user base. On April 3, 2020, the platform was merged with Disney +(Hotstar, 2015).

- **VOOT:**Voot is an Indian Subscription Video-on-Demand based service that was launched in March 2016. Its parent company is Viacom 18. It is available in multiple languages such as Hindi, English, Kannada, Marathi, Bengali, Gujarati, Telugu, and Tamil in India. It is Viacom 18's advertising-led video-on-demand platform, available as an app for iOS, Kaios (Xiphone), and Android users and as a website for desktop use. It features shows from channels such as MTV, Nickelodeon, and Colors. In February 2020, Voot Select is introduced as a paid membership service within the existing app. The Voot's Original Series is only available to paid subscribers. Some TV shows are aired a day before TV for paid subscribers(Voot, 2019).

- **ZEE5:**ZEE5 is an Indian video-on-demand service operated by Essel Group through its subsidiary Zee Media Corporation Limited (ZMCL). ZEE5 was launched in India on 14 February 2018 with content in 12 languages. The mobile app is available on Android, iOS, Smart TV, and as a website for laptop/desktop use. ZEE5 had 56 million monthly active users in December 2019. The service is launched everywhere except in the United States because the contract with Dish Network's contract with the ZEE Satellite Provider is the main provider for Indian channels in the country (Evorius & Pathak, 2018).

- **ALT BALAJI:**ALT Balaji is an Indian subscription-based video-on-demand platform that is a wholly-owned subsidiary of Balaji Telefilms Limited. Launched on 16 April 2017, ALT Balaji is the group's attempt at digital entertainment to create original, premium, and tailor-made content. ALT Balaji is available in 32 different interfaces for its viewers. Content is available on mobile and tablet devices (Apple Phone, Apple iPad, Android Phone, Android Tablet), Web Browser (Desktop Browser), Android TV, and Windows (Windows PC,

Windows Mobile, Windows Tablet). The platform claims to be the largest content bank in India (Balaji Telefilms, 2017).

- **Market Share:** According to Counterpoint Technology Market Research, more than 65% of the total market share accounted for the top six streaming services in India i.e. Hotstar, Amazon Prime Video, Netflix, Voot, Zee5, and ALT Balaji(Bhatia, 2019).

Market share of Online Entertainment Streaming Services in India		
	Streaming Platforms	**Usage Share (in %)**
1	**Hotstar**	**20**
2	**Amazon Prime Video**	**20**
3	**Netflix**	**15**
4	**Voot**	**10**
5	**ZEE5**	**5**
6	**ALT Balaji**	**5**
7	**SonyLIV**	**5**
8	**Eros Now**	**5**
9	**Others**	**15**

Table2: Market share of Online Entertainment Streaming Services in India.

Source: Counterpoint Technology Market Research

SECTION 2

LITERATURE REVIEW

2.1Literature Map

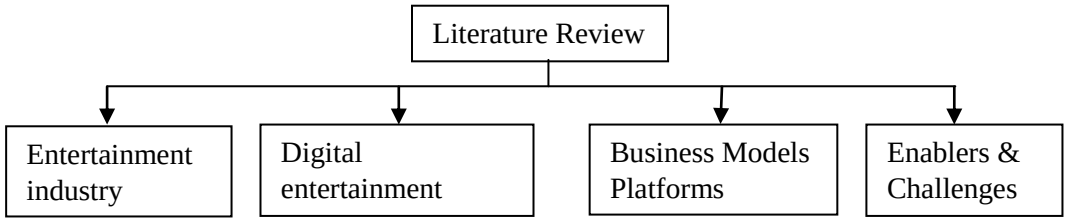

Figure 1: Literature Map

Source: Self-Construct

2.2 Conceptual coverage of Literature

In this section, the relevant literature review is provided in the broad area of online entertainment streaming services. About 50 papers from Indian and foreign researchers were studied, in addition to many reports published by renowned companies like FICCI, KPMG, Statista were taken into consideration for recent facts and figures. Many articles were also reviewed related to the topic. It is

reviewed that there is enough literature related to online entertainment streaming services but in the aspect of other countries. Not much literature was there in the Indian context. Although there are many facts and figures which show that this industry is worth studying as it involves a large number of consumers who pay billions of rupees on entertainment.

- **Classification of Literature Review**

  A broad classification of the previous papers is given as follows:

  - **Focus of the paper:** The focus of the paper includes
    - Entertainment Industry
    - Digital Entertainment Platforms
    - Business Models' Platforms
    - Enablers and Challenges
  - **Context of the paper:** The context of the paper includes
    - Indian
    - Foreign

2.3 Synthesis matrix of Literature Review

Tabular Summary of Literature Review											
Content											
S.No.	**PAPER AUTHOR OR AGENCY (YEAR)**	**TITLE**	**COUNTRY**	**ENABLERS**				**CHALLENGES**			
				Ease of Accessibility	Perceived Mobility	Relative Cost Advantage	Positive word of Mouth	Switching Cost	Complexity in Usage	Limited Content	Relative experiential/social deficit
1	Dr. Sabyasachi Dasgupta (2019)	Understanding adoption factors of over-the-top video services among millennial consumers	India	✓	✓	✓	✓		✓	✓	
2	F. M. Simon and R. Schroeder (2019)	Big data goes to Hollywood: The emergence of big data as a tool in the American film industry	International	✓	✓		✓				✓
3	MTM (2018)	The-prospects-for-premium-ott	International	✓	✓	✓	✓	✓		✓	
4	Accenture (2015)	Digital video & the connected consumer	India	✓		✓			✓	✓	
5	Deloitte (2017)	Digital media: Rise of on-demand content	India	✓			✓	✓		✓	

6	Ernst & Young (2016)	Future of digital content consumption in India	International		✓	✓	✓		✓	✓	
7	KPMG-FICCI (2015)	Indian media & entertainment industry	India	✓		✓	✓			✓	
8	Ivan Maryanchyk (2008)	Are ratings informative signals? Analysis of the Netflix data	International			✓				✓	
9	Michail Batikas, Estrella Gomez-Herrera and Bertin Martens (2015)	Film availability in Netflix country stores in the EU	International	✓						✓	
10	Clare-Marie Karat, John Karat (2011)	That's Entertainment! designing streaming, multimedia web experiences	International		✓		✓			✓	
11	Nicole P. Aliloupour (2016)	The impact of technology on the entertainment distribution market: The effects of Netflix and Hulu on cable revenue	International	✓		✓					
12	Bastiaan Baccarne, Tom Evens and Dimitri Schuurman (2013)	The television struggle: an assessment of over-the-top television evolutions in a cable dominant market	International	✓		✓					✓
13	Financial Express (Retrieved 2017)	Video OTT vs DTH players: How Netflix, Amazon Prime, Hotstar cornered Indian market	India					✓		✓	✓
14	FICCI_KPMG (2017)	The digital-first journey	India		✓	✓	✓			✓	
15	Bruno Rogério Neves Loureiro (2019)	The impact of streaming services video-on-demand on the cinematic exhibition industry: Taking an experiential approach	International	✓							✓

16	Sadaf Karim (Jan 2020)	Scope and impact of cinema advertising in the era of VoD	India	✓		✓					✓
17	Roger Odin (2012)	"Spectator, Film and the Mobile phone,"	International						✓		✓
18	Peter Wenzel, Irene Mahle & Jens U. Pätzmann (2016)	Streaming services & service design: An analysis of Netflix and Amazon video based on the Gap model	International	✓	✓	✓	✓			✓	
19	Dr. Lothar Mikos (2016)	Digital media platforms and the use of tv content: Binge-watching and video-on-demand in Germany	International	✓	✓	✓				✓	
20	Webster, J. G. (2014)	The marketplace of attention. How audiences take shape in a digital age.	International	✓	✓	✓		✓		✓	✓
21	Tryon, C. (2015)	TV got better: Netflix's original programming strategies and binge viewing	International	✓		✓	✓			✓	✓
22	William T. Rupp & Alan D. Smith (2014)	Exploring the impacts of P2P networks on the entertainment industry	International		✓	✓	✓			✓	✓
23	Sally Patricia Glaser (2019)	When old becomes new again: The emergence of classic TV broadcasting	International			✓	✓			✓	✓
24	Jestin Johny, Paul Alukal (2018)	Video on demand industry: Challenges and opportunities in the Indian market	India	✓						✓	
25	Jean Paul Simon, Pierre Jean Benghozi and Elisa Salvador (2015)	The new middlemen of the digital age: the case of cinema	International	✓		✓	✓			✓	✓

26	Motilal Oswal (March 2020)	Lockdown a blessing in disguise?	India	✓	✓	✓					
27	Dr. Sushil Mavale and Ramandeep Singh (Feb 2020)	Study of perception of college-going young adults towards online streaming services	India	✓		✓		✓		✓	
28	Scott Fitzgerald (2019)	Over-the-top video services in India: Media imperialism after globalization	International	✓	✓				✓	✓	
29	Luzhou Li (2019)	6 Bidding on the rights to stream: The industry, copyright, and new cultural flows	International			✓			✓	✓	
30	Dr. Rashmi Aggarwal & Dr. Shalini Rahul Tiwari (2019)	Macro-economic landscape of media & entertainment industry in India: Emerging business models	India	✓		✓			✓	✓	
31	Glenn Evorius Pattiata (2018)	Marketing strategy for ZEE network	International	✓	✓					✓	
32	Dr. Vinod S. Ingawale & Mr. Narendra Kumar Saxena (2020)	A study of current scenario in Indian telecom industry	India	✓		✓					
33	Jungwoo Shin, Yuri Park, and Daeho Lee (2017)	Strategic management of over-the-top services: Focusing on Korean consumeradoption behaviour	International	✓		✓	✓	✓		✓	
34	Grace Li (2015)	Regulating over-the-top services in Australia – from universal service obligation scheme to ott regulation	International	✓	✓					✓	
35	Dr. Kalyani Suresh (2019)	Personalization phenom: User-centric perspectives towards recommendation systems in Indian video services	India		✓	✓				✓	

36	Emilia Zboralska and Charles H. Davis (2017)	Transnational over-the-top video distribution as a business and policy disruptor: The case of Netflix in Canada	International	✓		✓				✓	
37	Richard T. B. Ma, John C. S. Lui and Vishal Misra (2015)	A Preference Model for Deciding the Market Share of Network Service Providers	International	✓				✓			
38	Quresh Moochhala (2018)	The future of online ott entertainment services in India	India	✓	✓	✓				✓	✓
39	Bolter, Jay D., and Richard Grusin (2010)	Remediation: Understanding new media	International	✓	✓				✓	✓	
40	Kanchan Samtani and Gaurav Jindal (2018)	Entertainment goes online-A $5 Billion opportunity	International	✓	✓	✓				✓	
41	Jeffrey Kooy (2014)	Digitalization of the Cinematic Experience	International				✓			✓	✓

Table 3: Summary table of Literature Review

2.4 Research Gap

While reviewing the literature it is observed that most of the researches cover the consumer's point of view in terms of the consumption of video on streaming platforms, thus not taking in to picture of the channel and the platforms' point of view. Further, since online streaming services are still in the growth stages, especially in an emerging economy like India, there is not a single study that comprehensively covers the enablers and challenges of this service. The present research aims to fill this gap. This research will be conducted with different stakeholders and target audiences to understand a more cohesive and holistic view of online entertainment streaming services. Following factors are extracted from review literature on which further research will be conducted:

- Ease of accessibility
- Perceived mobility
- Relative cost advantage
- Positive word of mouth
- Switching cost
- Complexity in Usage
- Limited Content
- Relative experiential/social deficit

SECTION 3

NEED OF THE STUDY

3.1 Need for the study

The size of online entertainment streaming platforms at the global level is expected to reach $179.9 billion by 2025. The future of the online entertainment market in India to reach $5 billion in size by 2023. The online entertainment market in India is at an inflection point in India, as per the latest report by The Boston Consulting Group titled 'Entertainment Goes Online'. The growth is being driven by smartphones, cheaper internet facilities, and adoption across demographic segments including women, the young generation to the older generation. It is been observed that there is room for many types of online entertainment streaming service models such as SVOD (subscription-based platforms), AVOD

(advertising-based platforms), TVOD (transaction-based platforms), and Freemium (basic service-free; advance service-paid) to succeed in the Indian market(Jindal & Samtani, 2018).

In India, while the serious negative consequences cannot be ignored, the ongoing lockdown due to the coronavirus pandemic, is a boon for some industries. Digital entertainment platforms are one of the main beneficiaries of the current situation across India.

Since all the movie halls and malls have been closed for nearly three months, people now have online entertainment options other than television. Both ZEE5 and Alt Balaji have seen their subscriber base grow. While Amazon Prime Video and Netflix - the two giants in India's online entertainment market - have refused to reveal the kind of surge they have seen.

Many big-ticket movies are now lined up for the release on online entertainment streaming services instead of theatrical release, which is proof of the rise in their number of subscribers. Even traditional cinema-goers, promising a film because of the star's name (Amitabh Bachchan and Vidya Balan), now have subscribed to at least one of the online entertainment streaming services due to lack of options. While most films have a digital release, this usually happens after the theatrical run is over(Forbes, 2020).

The market for online entertainment streaming services/platforms in India is still growing and more and more people are becoming aware of it. It only grows with time and increased reliance & technology. There are some obstacles before India becomes a big player in video streaming services on the global map. The study needs to analyse the cohesive perspective of the companies and consumers in adopting online entertainment streaming services in India.

3.2Research Questions

- Which organizations are the pioneers in online entertainment streaming services and their competitors?
- What are the marketing and competitive strategies of various companies?
- What triggers consumers to prefer online entertainment streaming services over traditional entertainment?
- What kind of content do consumers prefer?
- What are the enablers and challenges of online entertainment streaming services?

SECTION 4

OBJECTIVES

1. To analyse the current market structure and strategic positions of various stakeholders of online entertainment streaming services in India.
2. To identify the factors which serve as challenges and enablers in the adoption of online entertainment streaming services by consumers.
3. To find out the consumers' segments of online entertainment streaming services.
4. To develop a strategic framework for the organizations for the adoption of online entertainment streaming services by consumers.

SECTION 5

CONCEPTUAL FRAMEWORK AND HYPOTHESES

5.1 Conceptual Framework

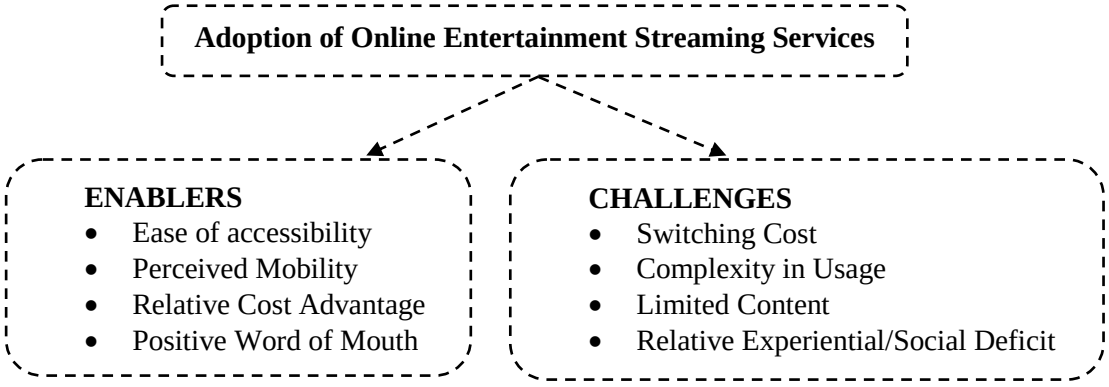

Figure2: Conceptual Framework

Source: Self Construct

ENABLERS:

- **Ease of accessibility-**There was a time when access to the internet was restricted to the minority. As time went on, better connection options like broadband were introduced to enable consumers to have a more reliable internet service however it was not until the first smartphone was introduced in 2007 that the ease of access got much better. The advanced features available on an affordable smartphone is now only an arm's length away(Aliloupour, 2016).

- **Perceived Mobility-**Mobility in this context refers to the liberty of watching anything at any time of the day or night at the comfort of home. Consumers now view the content during travel, commuting, or at leisure(Fitzgerald, 2019).
- **Relative Cost Advantage**- Cost advantage here is in comparing traditional entertainment with digital entertainment. Experiencing the same on a digital platform is lesser in cost than going out and watching a film in a theatre(Wenzel, Mahle, & Pätzmann, 2016).Several platforms provide a vast variety of movies and shows from all over the world at affordable prices at the comfort of their home. The pricing structures of the streaming platforms influence the consumers to adopt digital entertainment services rather than traditional entertainment. Like Netflix's mobile-only subscription is at RS 199 per month; Amazon prime provides its services at RS 129 per month only, it gives the consumers the worth of their money.
- **Positive Word of Mouth**-Entertainment industry is somewhat fuelled by word of mouth being either positive or negative. A consumer is definitely influenced when a person of his/her close circle refers to watch or what not to watch out of their experience(Webster, 2014).

CHALLENGES:

- **Switching Cost**- Switching cost refers to switching from one service platform to another. When a user completely consumes the content from one platform; he/she tends to switch to other platforms that provide new content. But switching will render some price, experience, usage, and content availability. One more aspect to this is, when one service provider charges a high price for the services then the users tend to switch to other service providers who are providing the same experience but ata lesser price(Mavale & Singh, Feb 2020).
- **Complexity in Usage-**Complexity in usage refers to the user interface of the platforms providing online video streaming facilities. Consumers tend to be irritated when the application is not user friendly. Each of the available online entertainment streaming service providers has one of the same applications with different content and rates which makes the platform a little complex and hard to what to choose(Odin, 2012).
- **Limited Content:** A number of service providers are available in the market but they offer a limited variety of content. Each one of the platforms offers a limited number of shows and

movies, then at the same time other platforms offer a completely different range of shows and movies. It's being difficult for consumers to choose only one platform for entertainment due to the limited product variety available. Therefore to have more options, consumers have to avail the services of more than one streaming platform(Fitzgerald, 2019).

- **Relative Experiential / Social Deficit-** Streaming services and video-on-demand completely reshaped the cinematic industry, as people now have more convenient alternatives to the traditional movie-going experience. One can say that audiences are relatively disengaged from movie theatres (Loureiro, 2019). This shows whether the consumers are willing to go outside and watch a movie in theatres with their friends and family or they choose to sit around at home and watch on their devices which causesexperiential/social deficit.

5.2 HYPOTHESES

Ho1: Ease of accessibility of services has no positive effect onthe adoption of online entertainment streaming services.

Ha1: Ease of accessibility of services has a positive effecton the adoption of online entertainment streaming services.

Ho2: Perceived Mobility of services has no positive effect onthe adoption of online entertainment streaming services.

Ha2: Perceived Mobility of services has a positive effect on the adoption of online entertainment streaming services.

Ho3: Relatively lower Cost of services offered has no positive effect on the adoption of online entertainment streaming services.

Ha3: Relatively lower Cost of services offered has a positive effect on the adoption of online entertainment streaming services.

Ho4: Positive Word of Mouth of services has no positive effect on the adoption of online entertainment streaming services.

Ha4: Positive Word of Mouth of services has a positive effect on the adoption of online entertainment streaming services.

Ho5: Increased Switching Cost of services has no negative effect on the adoption of online entertainment streaming services.

Ha5: Increased Switching Cost of services has a negative effect on the adoption of online entertainment streaming services.

Ho6: Complexity in Usage of services has no negative effect on the adoption of online entertainment streaming services.

Ha6: Complexity in Usage of services has a negative effect on the adoption of online entertainment streaming services.

Ho7: Limited Content at platformshas no negative effect on the adoption of online entertainment streaming services.

Ha7: Limited Content at platformshas a negative effect on the adoption of online entertainment streaming services.

Ho8: Relative Experiential / Social Deficit due to services has no negative effect on the adoption of online entertainment streaming services.

Ha8: Relative Experiential / Social Deficit due to services has a negative effect on the adoption of online entertainment streaming services.

SECTION 6

RESEARCH METHODOLOGY

6.1Research Design: For the proposed research descriptive research design has been adopted to elaborate an accurate representation of persons, events, or situations (Saunders, 2019), which relies on an online questionnaire.

6.2 Scope of the study:

- **Area of the survey**: Agra City
- **Total Population**: As per provisional reports of Census India, the population of Agra in 2011 is 15,85,704

6.3Sample Size Calculation:

For consumers: Taking a statistical approach to calculate sample size *(n)* of the infinite population (more than 50,000) through precision rate and confidence level approach is used to

arrive at a representative number of respondents when population estimate is unknown (Godden, 2004). Population, the various quantitative measures to be considered are as follows:

a) Degree of the variability of population characteristics or standard deviation *(σ)*

b) Level of confidence desired or *Z* value

c) Degree of precision desired in estimating population characteristics *(D)*

$$n = \sigma^2 Z^2/D^2$$

―Assuming relative homogeneity of population‖ **Bill Godden Formula**

σ = The Approximate value of the standard deviation of the sample is taken as 1.

Z = Standard normal variation or *Z* value is taken as 1.96 for 95% confidence level desired

D is taken as 0.1 to ensure a high degree of precision.

$n=1^2(1.96)^2 / (0.1)^2 = 384$ **Sample Size = 384**

6.4Sampling frame:

The sampling frame for the proposed research is the listing of the respondents in the age bracket of 18-60.

6.5Sampling Technique:

Purposive sampling technique& Judgemental sampling technique will be used for the selection of respondents. Further quotas will be defined on demographic characteristics like- age and gender.

6.6Data Collection Instruments:

- **Primary Data:**Questionnaires will be used for the survey of consumers.
- **Secondary Data:** Secondary data will be collected from journals, newspapers, books, magazines, the internet, etc.

6.7Statistical Techniques for Data Analysis:

Descriptive Statistics, Z-test, Regression, and Correlation would be used for data analysis.

SECTION 7

PROPOSED CHAPTERIZATION

The thesis will contain the following chapters:

Chapter 1 – Introduction

Chapter 2 – Review of Literature

Chapter 3 – Research Methodology

Chapter 4 – Data Analysis

Chapter 5 – Results and Interpretations

Chapter 6 – Conclusions, Limitations, and Directions for future research

- References and Bibliography
- Appendix

SECTION 8

REFERENCES

Wikipedia. (2016). Retrieved from https://en.wikipedia.org/wiki/Prime_Video: https://en.wikipedia.org/wiki/Prime_Video

Accenture. (2015). *Digital Video & the connected consumer.* Accenture.

Aliloupour, N. P. (2016, Dec). The Impact of Technology on the Entertainment Distribution Market: The Effects of Netflix and Hulu on Cable Revenue. *Scripps Senior Theses*.

Amazon. (2020). Retrieved from www.alexa.com: https://www.alexa.com/siteinfo/primevideo.com

Balaji Telefilms. (2017). Retrieved from www.altbalaji.com: https://www.altbalaji.com/about-us

Bhatia, H. (2019). *Top 5 Indian Metros Account More Than Half of the OTT Video Content Platform User Base.* Counterpoint Technology Market Research.

Clare-Marie Karat, John Karat, John Vergo, Claudio Pinhanez, Doug Riecken, & Thomas Cofino. (2011). That's Entertainment! Designing Streaming,. *International Journal of Human-Computer Interaction*.

Dasgupta, D. S., & Grover, D. (2019). Understanding adoption factors of over-the-top video services among millennial consumers. *International Journal of Computer Engineering & Technology (IJCET).*

Deloitte. (2017). *Digital Media: Rise of on-demand content.* USA: Deloitte India.

Economics Times. (March 2020). Coronavirus outbreak: Telcos want Amazon, Netflix, YouTube to ease pressure on network infrastructure. *Economics Times*.

Ernst & Young. (2016). *Future of Digital Content Consumption in India.*

ET Government. (2020, April 4). *ET Government.com*. Retrieved from https://government.economictimes.indiatimes.com/: https://government.economictimes.indiatimes.com/news/digital-india/ott-platforms-to-take-over-cinema-due-to-lockdown/74979023

Evorius, G., & Pathak, S. (2018). Marketing strategy for ZEE network. *Association of international business and professional management (AIBPM)*.

Fitzgerald, S. (2019). Over-the-Top Video Services in India: Media Imperialism after Globalization. *Media Industries*.

Forbes. (2020, March). OTT Platforms in India see subscriber bases surge up to 80% amid coronavirus lockdown. *Forbes*.

Glaser, S. P. (2019). When Old Becomes New Again: The Emergence of Classic TV Broadcasting. *ProQuest*.

Godden, B. (2004). Sample size formulas. *Journal of Statistics*.

Hotstar. (2015). Retrieved from www.hotstar.com: https://www.hotstar.com/in/about-us

Indian Express. (May 2020). Filmmakers stand by digital film release. *Indian Express*.

Inventiva. (2020, May). Coronavirus Lockdown: Data usage increased by 20% as people stayed in their homes, video streaming apps were most used.

Jestin Johny, & Paul Alukal. (May 2018). Video on Demand Industry: Challenges and Opportunities in the Indian Market. *International Journal of Innovative Science and Research Technology*.

Jindal, G., & Samtani, K. (2018). *Entertainment goes online.* Ney York: The Boston Consulting Group.

KPMG-FICCI. (2015). *Indian Media & Entertainment Industry.* KPMG-FICCI.

Lacy. (2017). *The Drum. Retrieved Oct 15, 2017.* USA.

Loureiro, B. R. (2019). The impact of streaming services and video-on-demand on the cinematic exhibition industry. *Iscte - University Institute of Lisbon*.

Mavale, D., & Singh, R. (Feb 2020). Study of Perception of College Going Young Adults towards Online Streaming Services. *International Journal of Engineering and Management Research*.

Media Industries. (2019). Over-the-Top Video Services in India:. *Google Scholar*.

Moochhala, Q. . (2018). The Future of Online OTT Entertainment Services in India. *Harvard*.

Odin, R. (2012). *"Spectator, Film and the Mobile phone,".* Amsterdam: Amsterdam University Press.

Sakal, D. (2019). *Analysis of Netflix Inc.* Financial club, University of Zagreb.

Saunders, M. N. (2019). *Research methods for business students.* New york: Pearson Education Limited.

Shaikh, S., Aggarwal, A., & Shakir, A. (16 April 2020). *Lockdown a blessing in disguise?* Motilal Oswal.

Statista. (2017). *The Statistics Portal.* Statista.

Voot. (2019). Retrieved from Voot: https://www.voot.com/premium

Webster, J. G. (2014). *The marketplace of attention. How audiences take shape in a digital age.* MIT press.

Wenzel, P., Mahle, I., & Pätzmann, J. U. (2016). Streaming services & service design: An analysis of Netflix and Amazon video based on the Gap model by Parasuraman, Berry & Zeithaml. *Researchgate*.